

LAKE COUNTY

BOARD OF COUNTY COMMISSIONERS

PROCEDURE

Title: Fixed Asset Management

Number: LC-37

Cancels:

Approved: 1/18/06

Originator: Procurement
Services

Review: 1/18/07

I. PURPOSE AND SCOPE

The purpose of this procedure is to describe the process and responsibilities required of all County organizations under the authority of the Board of County Commissioners (hereafter Board) for fixed asset management. This shall include all County Departments and the Constitutional Officers (excluding the Sheriff's Office), and other sub-governmental units.

For purposes of this policy, the value of tangible personal property shall include all costs required to place a specific asset into service as determined by generally accepted accounting principles. Group acquisitions of assets (i.e., an acquisition of 50 chairs with a value of \$100 per chair) shall be evaluated based upon the value of an individual item (i.e., one chair) rather than the value of the entire group. Asset enhancements shall be capitalized as part of the original asset provided that the enhancement has a value of \$1,000.00 or greater and a useful life of at least one year. Contributed assets shall be capitalized based upon their estimated fair market value at the time of acquisition.

II. REFERENCES

- A. Chapter 274, Florida Statutes, Tangible Personal Property Owned by Local Governments
- B. Rules of the Auditor General, Chapter 10.400, Local Government Owned Tangible Personal Property
- C. Lake County Policy, LCC-40, entitled Fixed Asset Management

III. DEFINITIONS

- A. Fixed Asset: Tangible personal property with a value

of \$1,000.00 or greater (this shall include freight and installation charges but excludes training costs) and has a useful life of at least one year.

- B. Custodian: The primary person to whom the control and safeguarding of an asset(s) has been entrusted by the Board through the Constitutional Officers or its designee or the County Manager which is usually a Department Director.
- C. Sub-Custodian: The person to whom the control and safeguarding of an asset(s) has been entrusted by the Department Director or Constitutional Officer designee.

Each level in an entity may pass custodianship of an asset(s) to another person under their chain of command in order to establish better control, responsibility and accountability by the person who actually has possession of the asset(s). Signatures will be required.

IV. DIRECTIVES

- A. Per Florida Statute, Chapter 274, it is the local governing board's responsibility to establish procedures for the effective management of tangible personal property owned by the County in accordance with Lake County Policy, LCC-40.
- B. The following actions are described and shall be adhered to by all County organizations maintaining custody of fixed assets owned or is responsible and accountable for by the County.
 - 1. The custodian of the fixed asset(s) shall be **responsible and held accountable** for the asset(s) assigned to them.
 - a. Each custodian shall assure fixed asset(s) are protected from and report any abuse, misuse, theft and or pilferage to the Fixed Asset Section, Office of Procurement Services.
 - b. All employees are entrusted to be the keepers of any and all fixed asset(s) assigned to them in the performance of their responsibilities and are therefore accountable.

2. The custodian of fixed asset(s) shall be responsible for any and all inventories and associated paperwork.
 - a. The custodian shall appoint an Asset Control Person to coordinate any physical inventory efforts and fixed asset related paperwork throughout the year.
 - b. The Asset Control Person shall cooperate and coordinate inventories with the Fixed Asset Section, Office of Procurement Services and assist the Clerk Records Management Division with the asset verification process.
3. The custodian of the fixed asset(s) shall be responsible for the proper disposal of the fixed asset(s) when the fixed asset(s) is no longer of value to the custodian.
 - a. The properly completed and signed disposal form will be forwarded to the Fixed Asset Section, Office of Procurement Services for action.
 - b. The Fixed Asset Section, Office of Procurement Services Department will coordinate with the County Department or Constitutional Office regarding the disposal method and the Office of Procurement Services will prepare the Board action for the fixed asset disposal.
 - c. Upon approval by the Board, the Fixed Asset Section, Office of Procurement Services shall make the appropriate arrangement for disposal.

V. RESERVATION OF AUTHORITY

The authority to issue and/or revise this procedure is reserved to the County Manager.



Cindy Hall, County Manager